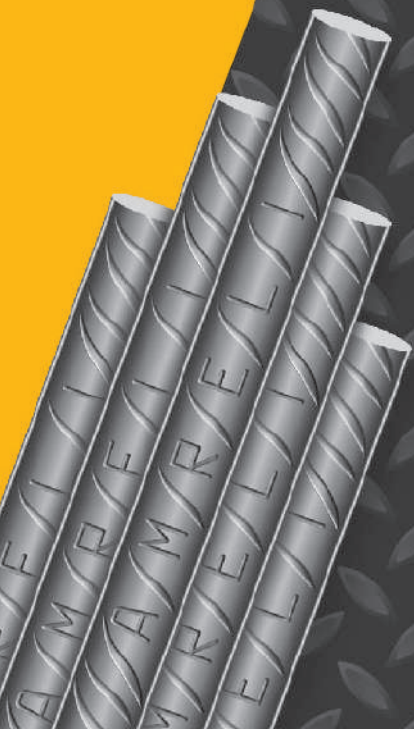


AMRELI STEELS LIMITED

**REPORT FOR THE HALF YEAR
AND QUARTER ENDED**

31 DECEMBER 2020



AMRELI STEELS
Building for Life

TABLE OF CONTENTS

Contents	Page No.
Company Information	02
Directors' Review Report (English & Urdu)	04
Auditor's Review Report	08
Condensed Interim Statement of Financial Position	09
Condensed Interim Statement of Profit or Loss	10
Condensed Interim Statement of Other Comprehensive Income	11
Condensed Interim Statement of Changes in Equity	12
Condensed Interim Statement of Cash Flows	13
Notes to the Condensed Interim Financial Statements	14
Investors' Education (Jama Punji)	19

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Abbas Akberali	Chairman, Non-Executive Director
Mr. Shayan Akberali	Chief Executive Officer
Mr. Badar Kazmi	Independent Director
Mr. Zafar Ahmed Taji	Independent Director
Mr. Teizoon Kijat	Independent Director
Ms. Kinza Shayan	Non-Executive Director
Ms. Mariam Akberali	Non-Executive Director

AUDIT COMMITTEE

Mr. Teizoon Kijat	Chairman
Mr. Badar Kazmi	Member
Mr. Zafar Ahmed Taji	Member
Ms. Kinza Shayan	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Zafar Ahmed Taji	Chairman
Mr. Teizoon Kijat	Member
Mr. Shayan Akberali	Member
Ms. Kinza Shayan	Member

CHIEF OPERATING OFFICER (STRATEGY)

Mr. Hadi Akberali

CHIEF OPERATING OFFICER (OPERATIONS) & CHIEF FINANCIAL OFFICER

Mr. Fazal Ahmed

COMPANY SECRETARY

Mr. Adnan Abdul Ghaffar

HEAD OF INTERNAL AUDIT

Ms. Alina Osama Ali

EXTERNAL AUDITORS

EY Ford Rhodes, Chartered Accountants
Progressive Plaza, Beaumont Road, Karachi, Pakistan

INTERNAL AUDITORS

BDO Ebrahim & Co. Chartered Accountants
2nd Floor, Block-C, Lakson Square, Building No. 1,
Sarwar Shaheed Road, Karachi - 74200, Pakistan
Tel: 92-21-35683030, Fax: 92-21-35684239

SHARE REGISTRAR

THK Associates (Pvt) Limited
1st Floor, 40-C, Block-6, P.E.C.H.S. Karachi - 75400
UAN: 92-21-111-000-322, Tel: 92-21-34168270, Fax: 92-21-34168271
Email: secretariat@thk.com.pk

LEGAL ADVISOR

Mr. Shamim Javaid Shamsi
A-102, Samina Avenue, Shadman No.2,
North Karachi, Karachi

CORPORATE ADVISOR

Moore Shekha Mufti
C-253, P.E.C.H.S, Block-6,
Off Shahrah-e-Faisal, Karachi, Pakistan
Tel: 021-34374811-5

BANKERS

Askari Bank Limited	MCB Islamic Bank Limited
Allied Bank Limited	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Bank Islami Pakistan Limited	Pak China Investment Company Limited
Dubai Islamic Bank Pakistan Limited	Pak Kuwait Investment Company Limited
Faysal Bank Limited	Samba Bank Limited
Habib Bank Limited	Standard Chartered Bank (Pakistan) Limited
Habib Metropolitan Bank Limited	United Bank Limited
JS Bank Limited	

REGISTERED OFFICE

A-18, S.I.T.E, Karachi, Pakistan
UAN: (+92-21) 111-AMRELI (267354)
Fax: 92-21-32587240, 38798328
Email: investor-relations@amrelisteels.com

SHERSHAH ROLLING MILL (SRM)

D-89, Shershah Road, Karachi, Pakistan

STEEL MELT SHOP (SMS) AND DHABEJI ROLLING MILL (DRM)

Industrial Land, Deh Gharo, Tapo Gharo,
Taluka Mirpur Sakro
(Distt: Thatta), Sindh, Pakistan

SYMBOL AT PAKISTAN STOCK EXCHANGE LIMITED

ASTL

WEBSITE INFORMATION

www.amrelisteels.com

DIRECTORS' REVIEW REPORT FOR THE HALF YEAR ENDED 31 DECMEBER 2020

The Board of Directors of your Company present their review on the financial and operational performance of the Company for the half year ended 31 December 2020.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

Your Company registered net sales of Rs.17.45 billion during the first half of ongoing financial year as compared to Rs.13.64 billion during the similar period last year. The gross profit for the half year increased from Rs.1.26 billion (9.26%) to Rs.1.89 billion (10.83%). The Company registered operating profit of Rs.1,189 million (6.8%) during six months' period under review as against Rs.625 million (4.58%) in the similar period last year. The Company posted profit before and after tax of Rs.352.67 million and Rs.423 million respectively during the period under review as compared to the loss before and after tax of Rs.589.1 million and Rs.313.48 million, respectively in the similar period last year. The overall positive results are attributable to higher capacity utilization, highest ever sales of 175,728 metric tons, reduced days receivable, inventory, interest rates and lower levels of borrowings. The results could have been even better had there been no record monsoon rains in the country, particularly in Karachi, in the month of August, depriving the Company of production and sales of at least 10,000 tons of rebars.

The key financial highlights of the Company are as follows –

	Half Year Ended 31 December 2020 (Rs. in million)	Half Year Ended 31 December 2019 (Rs. in million)
Net sales	17,452	13,642
Gross profit	1,891	1,264
Operating profit	1,189	625
Profit/ (Loss) before tax	353	(589)
Profit/ (Loss) after tax	423	(313)
Earnings / (Loss) Per Share – basic and diluted (in Rupees)	1.42	(1.06)

ECONOMY

The economic recovery of the country appears to have gained some traction. Almost every sector of the economy has shown positive results during the period under discussion. The Pakistani rupee after strengthening against the greenback in September 2020 has largely remained steady which bodes well for the economy. Inflation has remained under check, hovering slightly above 8%. The current account remained positive for the first five months of the financial year before turning negative in December 2020. However, this was in line with expectations as the economic activities have started to pick up post first lock-down due to the pandemic. Workers remittances have remained a pleasant surprise for the country; the experts and gurus had termed the record workers' remittances of US \$ 2.4 billion in June 2020 as a one-off and were expecting a substantial decline owing to layoff of Pakistani workers and the softening of the global economy. However, remittances have remained consistent at around US \$ 2.36 billion a month, helping a great deal in keeping the current account in the positive for most part of the period under review. Tax collection surpassed its target and foreign currency reserve remained on a promising level. Exports are back to the levels of pre-pandemic period and are expected to accelerate further.

The construction industry has remained strong due to robust demand of cement, steel and allied products. The stimulus package announced by the Government and the incentive offered to the construction industry last year has been extended upto 30 June 2021.

The current surge in rebars' prices in local as well as international market is the direct result of drastic rise in the prices of raw material (scrap) globally, the shortage of which is witnessed across the world primarily due to pandemic related supply chain disruptions. In addition, heavy snowfall in many countries has pushed down the production of scrap; as a result prices of raw material have shot up from \$350 per ton C&F in August 2020 to approximately \$500 per ton, before sliding down to US \$ 400 on the date of this report. The volatility in the prices of scrap is expected to remain throughout the fiscal year due to the uncertainty persisting in the global markets owing to the presence of Covid-19 and extended lockdowns across the world.

FUTURE OUTLOOK

Despite the encouraging macroeconomic picture of the country in the first half of the fiscal year 2021, it is still not easy to forecast the growth of the steel sector. The GDP growth estimates have been revised by international agencies many times with large variations. ADB and IMF expect the GDP to grow at 2% and 1% respectively. How things actually pan out for the economy in the second half of the financial year 2021 will greatly depend on how we respond to the second wave of Covid-19 and how it is dealt globally. A lot will also depend on what conditionalities the government accepts for the resumption of the IMF program. Any step to slow down the economic growth by design, may hurt the country and the livelihood of its people very badly. The persistent political noise in the country may add to the uncertainty, which will adversely affect the investment climate of the country in general. The volatility in scrap prices, rising cost of electricity and gas, smuggled goods, miss declaration on import of scrap, will remain some of the key threats for the steel sector in particular.

On the positive side, the construction industry remains the focus of the government and therefore, it is expected to remain strong. GoP has signed a MOU with SBP of Rs.33 billion markup subsidy for financing the construction and purchase of new houses over the period of ten years. The local banks have been directed to earmark 5% of the loan portfolio for the construction sector. Large infrastructure development activities are expected to start during the third quarter and will continue for the remaining part of the fiscal year. The SBP has given an indication of stable interest rates for the remaining part of the financial year, which bodes well for the economy.

The management of your Company is aware of all the challenges and opportunities of the steel industry. It is taking all steps necessary to safeguard the interest of the Company and its shareholders by adopting right strategies to mitigate the down side risk and at the same time not letting any opportunity go untapped. The management is working persistently to improve efficiency in the operations, increase capacity utilization to its maximum, increase its footprint across the country in terms of sales' volume and hold its position as the largest steel rebar manufacturing and selling company of the Country.

KEY ISSUES NEEDING GOVERNMENTS ATTENTION

We are thankful to the Pakistan Association of Large Steel Producers for their efforts in putting key issues of the steel industry to the Government's notice, especially:

- 1) High turnover taxes of 1.5% on steel makers, their dealers & distributors
- 2) Smuggling of rebars from Iran
- 3) Production and supply of sub-standard steel in market
- 4) Evasion of duties and taxes by large number of small un-documented steel units
- 5) Special but unjust tax concession for FATA/PATA
- 6) Regulatory and Customs Duty on import of scrap resulting in increased prices of rebars in local markets

ACKNOWLEDGEMENT

The Board express their gratitude to all stakeholders including valued shareholders, employees, customers, financial institutions and suppliers for their encouragement and continued support to strengthen the Company.

For & on behalf of Board of Directors



Shayan Akberali
Chief Executive Officer



Teizoon Kijat
Director

08 February 2021
Karachi

مستقبل پر نظر

مالی سال 2021 کے پہلے نصف میں کئی معاشی اشاریے مثبت ہونے کے باوجود ابھی اس بات کی آسانی پیشگوئی نہیں کی جاسکتی کہ اسٹیل کی شرح نمو کیا رہے گی۔ بین الاقوامی ایجنسیوں کی جانب سے جی ڈی پی کے اہداف میں کئی مرتبہ تبدیلیاں کی گئی ہیں اور ان میں کافی فرق بھی پایا جاتا ہے۔ ایشیائی ترقیاتی بینک اور آئی ایم ایف کی جانب سے بالترتیب 2% اور 1% کی پیشگوئی کی گئی ہے۔ رواں مالی سال کے دوسرے نصف میں ہماری معیشت کی ترقی کا دارو مدار اس بات پر ہوگا کہ اس طرح ہم کو روکا نہ جائے اور دوسری طرف سے منصفی میں کامیاب ہوتے ہیں اور عالمی سطح پر اس سے منصفی کیلئے کیا حکمت عملی مرتب کی جاتی ہے۔ اس کے علاوہ اس بات پر بھی بڑی حد تک اس کا انحصار ہوگا کہ حکومت کی جانب سے آئی ایم ایف کے پروگرام کو جاری رکھنے کیلئے حکومت ان کی جانب سے کن شرائط کو مانتی ہے۔ اگر ایسی کسی بھی شرط کو ماننا جاتا ہے جس کے وجہ سے معیشت کا پیہرست روکی کا ذخیرہ ہوتا ہے تو اس سے نہ صرف ملک کو نقصان ہوگا بلکہ عام آدمی کی زندگی بھی بری طرح متاثر ہو سکتی ہے۔ ملک میں پانی جانے والی مستقل غیر یقینی سیاسی صورتحال کی وجہ سے بھی غیر یقینی صورتحال میں اضافہ ہو رہا ہے جس کے وجہ سے ملک کے اندر سرمایہ کاری کی فضا متاثر ہو سکتی ہے۔ خام مال کی قیمت میں پابا جانے والا اتار چڑھاؤ، بجلی اور گیس کی بڑھتی ہوئی قیمتیں، اسٹیلنگ کا سامان، درآمد شدہ اسکرپ کے بارے میں غلط بیانی و چند عوامل ہیں جن سے اسٹیل کی صنعت کو مسلسل خطرات لاحق رہیں گے۔

اگر مثبت اشاریوں کی جانب نظر دوڑائی جائے تو اندازہ ہوتا ہے کہ تعمیرات کی صنعت پر اب تک حکومت کی خاص توجہ ہے لہذا امید کی جاسکتی ہے اس میں بہتری آئی گی۔ حکومت پاکستان اور اسٹیٹ بینک آف پاکستان کے مابین 133 ارب روپے کی معاہدتی یادداشت پر دستخط ہونے کے تحت شرح سود کے سلسلے میں سبسڈی دی جانے لگی جس کے ذریعے اگلے سلسلوں میں گھروں کی تعمیر اور خریدنے کی سہولت فراہم کی جائے گی۔ تمام مقامی بینکوں کو اس بات کی ہدایت کی گئی ہے کہ اپنی جانب سے فراہم کیے جانے والے قرضوں میں سے تقریباً 5% کو اس اسکرپ کیلئے مختص کریں۔ رواں مالی سال کی تیسری سہ ماہی میں بنیادی ڈھانچوں سے متعلق بڑے بڑے منصوبوں پر تعمیراتی کاموں کے آغاز کی توقع کی جارہی ہے جو کہ دراصل جاری رہیں گے۔ اسٹیٹ بینک آف پاکستان کی جانب سے بھی اس بات کا عندیہ دیا گیا ہے کہ مالی سال کے باقی حصے سے دوران حالیہ شرح سود کو برقرار رکھا جائے گا جو کہ ملک کی معیشت کیلئے ایک مثبت قدم ہوگا۔

آپ کی کمپنی کی انتظامیہ مذکورہ بالا تمام مسائل سے پوری طرح واقف ہے اور ان مسائل سے کمپنی کو نکلانے کیلئے اسے تمام وسائل بروئے کار لارہی ہے۔ کمپنی کی جانب سے ایسے تمام اقدامات اٹھائے جا رہے ہیں جو کمپنی اور کمپنی کے حصص داران کے مفادات کی حفاظت کیلئے ضروری ہیں، ہر قسم کے خطرے کو کم کرنے کیلئے موثر حکمت عملی مرتب کی جارہی ہے اور ساتھ ہی اس بات کی پوری کوشش کی جارہی ہے کہ کسی بھی موقع کو ہاتھ سے جانے نہ دیا جائے۔ کمپنی کی انتظامیہ انتہائی مستعدی کے ساتھ کام کر رہی ہے اور کوشاں ہے کہ کاروباری افعال کی کارکردگی میں اضافہ کیا جائے، پیداواری صلاحیت سے پھر پورا فائدہ اٹھایا جائے، فروخت کے سلسلے میں یقینی پورے ملک میں اپنی پیش قدمی کو ممکن بنانے، فروخت کے حجم میں اضافے کیلئے کوششیں کی جائیں تاکہ اسٹیل کی پیداوار اور فروخت کے لحاظ سے پاکستان کی سب سے بڑی کمپنی ہونے کا اعزاز برقرار رکھا جاسکے۔

حکومت کی جانب سے توجہ طلب اہم معاملات

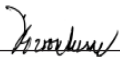
ہم حکومت پاکستان کے سامنے اسٹیل کی صنعت سے متعلق اہم مسائل کو اجاگر کرنے کے سلسلے میں پاکستان ایسوسی ایشن آف لارج اسٹیل پروڈیوسرز (PALSP) کے شکرگزار ہیں؛ بالخصوص:


- 1- اسٹیل بنانے والوں، ان کے ڈیلروں اور ڈسٹری بیوٹرز پر بڑے کاروباری حجم کے سلسلے میں لگائے جانے والے 1.5% ٹیکس کا معاملہ۔
- 2- ایران سے اسٹیلنگ کئے جانے والے ریلرز کا معاملہ۔
- 3- اسٹیل کی مارکیٹ میں غیر معیاری اسٹیل بنانے اور فروخت کئے جانے کا معاملہ۔
- 4- بڑی تعداد میں موجود غیر رجسٹرڈ شدہ چھوٹے اسٹیل پینٹس کی جانب سے ٹیکسوں اور ڈیوٹیز کی چوری کا معاملہ۔
- 5- خاص لیکن انصافی پینٹس کی رعایت برائے FATA/PATA کا معاملہ۔
- 6- اسکرپ پر ریگولیشنری اور کسٹمز ڈیوٹی کا معاملہ جس کے باعث اسکرپ درآمد کرنے کی قیمت میں مقامی طور پر اضافہ ہو جاتا ہے۔

اظہار تشکر

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز تمام شراکت داروں بشمول حصص داران، ملازمین، صارفین، مالیاتی اداروں اور ترسیل کاروں کے تہمدل سے مشکور ہیں کہ کمپنی کو تقویت پہنچانے کیلئے ان کی حوصلہ افزائی اور حمایت ہمیشہ ہمارے شمال حال رہی۔

برائے دلچسپی اور ڈائریکٹرز


نیزوان کست
ڈائریکٹر


شایان اکبر علی
چیف ایگزیکٹو آفیسر

8 فروری 2021

کراچی

ڈائریکٹرز کی جائزہ رپورٹ برائے ششماہی اختتامیہ 31 دسمبر 2020

بورڈ آف ڈائریکٹرز آپ کی کمپنی کی مالیاتی و کاروباری کارکردگی برائے ششماہی اختتامیہ 31 دسمبر 2020 سے متعلق رپورٹ آپ کی خدمت میں پیش کر رہے ہیں۔

اہم مالیاتی و کاروباری معلومات

رواں مالی سال کی پہلی ششماہی کے دوران آپ کی کمپنی کی جانب سے صاف فروخت کا حجم 17.45 ارب روپے درج کیا گیا ہے جو کہ گزشتہ مالی سال کے اسی عرصے کے دوران 13.64 ارب روپے درج کیا گیا تھا۔ دوران ششماہی خام منافع 1.26 ارب روپے (9.26%) سے بڑھ کر 1.89 ارب روپے (10.83%) رہا جبکہ کاروباری منافع 1,189 ملین روپے (6.8%) رہا جو کہ گزشتہ مالی سال کے اسی عرصے کے دوران 625 ملین روپے (4.58%) درج کیا گیا تھا۔ دوران ششماہی کمپنی کی جانب سے بالترتیب قبل از ٹیکس اور بعد از ٹیکس منافع 352.67 ملین اور 423 ملین روپے درج کیا گیا ہے جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران قبل از ٹیکس اور بعد از ٹیکس کمپنی کی جانب سے بالترتیب 589 ملین اور 313.48 ملین روپے کا نقصان درج کیا گیا تھا۔ مالیاتی نتائج مثبت آنے کی وجوہات میں پیداواری صلاحیت کا بھرپور استعمال، 175,728 میٹرک ٹن کی بلند ترین فروخت، وصولیوں، انویسٹری کے ایام میں کمی، شرح سود میں کمی اور قرضوں کے حجم میں آنے والی کمی شامل ہیں۔ اگر ملک میں اور بالخصوص کراچی میں ماہ اگست کے دوران مون سون کی بارشیں اس قدر شدت کے ساتھ نہ ہوتیں تو یہ نتائج اس سے بھی بہتر ہو سکتے تھے، جس کی وجہ سے کمپنی کم از کم 10,000 ٹن بیارز بنا لے اور فروخت کرنے سے قاصر رہی۔

کمپنی کی اہم مالیاتی معلومات ذیل میں پیش کی جا رہی ہیں:

ششماہی اختتامیہ	ششماہی اختتامیہ
31 دسمبر 2019	31 دسمبر 2020
(روپے ملین میں)	(روپے ملین میں)

13,642	17,452
1,264	1,891
625	1,189
(589)	353
(313)	423
(1.06)	1.42

صاف فروخت
خام منافع
کاروباری منافع
منافع (نقصان) قبل از ٹیکس
منافع (نقصان) بعد از ٹیکس

آمدن (نقصان) فی حصص - بنیادی و تھمبلی (روپے میں)

معیشت

معاشی اشاریوں سے اندازہ ہوتا ہے کہ ملک کی معیشت بحالی کی جانب گامزن ہے۔ زیر نظر عرصے کے دوران معیشت کے تفریحی تمام شعبوں کی جانب سے مثبت نتائج ظاہر کئے گئے ہیں۔ ستمبر 2020 میں پاکستانی روپیہ امریکی ڈالر کے مقابلے میں مستحکم ہونے کے بعد اب تک مستحکم نظر آ رہا ہے جو کہ ہماری معیشت کیلئے ایک مثبت اشارہ ہے۔ افراط زر کو بھی کافی حد تک قابو میں رکھا گیا ہے جو کہ 8% کے آس پاس رہی ہے۔ زیر نظر مالی سال کے اول پانچ ماہ کے دوران کرنٹ اکاؤنٹ کا میزاج بھی مثبت رہا ہے جو کہ دسمبر 2020 میں منفی ہوا۔ تاہم اس کی امید کی جا رہی تھی کیونکہ کورونا وائرس نے آنے والی وباء کے بعد لگائے جانے والے لاک ڈاؤن کے بعد معیشت نے بھی اٹھنا شروع کر دیا ہے۔ محنت کشوں کی جانب سے ترسیلات زر میں ہونے والا اضافہ بھی ملک کیلئے ایک خوشگوار خبریت سے کم نہ تھا، جون 2020 میں بیرون ملک سے محنت کشوں کی جانب سے ریکارڈ 2.4 ارب امریکی ڈالر کی ترسیلات زر کی گئیں اور ماہرین کی جانب سے اندازہ لگایا گیا تھا کہ پاکستانی محنت کشوں کے روزگار سے محروم ہونے اور عالمی سطح پر معیشت کی سست روی کی وجہ سے ترسیلات زر میں کمی واقع ہوگی۔ تاہم باوجود 2.36 ارب امریکی ڈالر کی سطح پر ترسیلات زر میں استقلال پایا گیا۔ ترسیلات زر کی وجہ سے ہی زیر نظر عرصے کے دوران کافی مدت تک کرنٹ اکاؤنٹ کو مثبت رکھنے میں مدد ملی۔ ٹیکس کو بھی اپنے دف سے زائد جمع کیا گیا اور غیر ملکی زر مبادلہ کے ذخائر کی سطح بھی اطمینان بخش رہی۔ جہاں تک برآمدات کا تعلق ہے تو یہ قبل از وباء کے دور کی سطح تک واپس پہنچ چکی ہیں اور اب ان میں مزید اضافے کی توقع کی جا رہی ہے۔

تعمیراتی صنعت میں سرگرمیاں تیز رہنے کی وجہ سے سیسٹم، سریور اور دیگر مشینوں کی طلب میں بھی اضافہ ہوا۔ گزشتہ سال حکومت پاکستان کی جانب سے اعلان کردہ زبردست پینچ اور تعمیراتی صنعت کو دی جانے والی مراعات میں اب 30 جون 2021 تک توسیع کر دی گئی ہے۔

ریارڈ کی قیمت میں حالیہ اضافے کی اصل وجہ مقامی اور بین الاقوامی سطح پر خام مال (اسکرپ) کی قیمت میں ہونے والا زبردست اضافہ ہے۔ خام مال کی ترسیل میں بڑی حد تک کمی واقع ہوئی ہے جس کی وجہ عالمی وبائی صورتحال کے پیش نظر پوری دنیا میں ترسیل کے نظام کا متاثر ہونا تھا۔ علاوہ ازیں، کئی ممالک میں زبردست برقیاری کی وجہ سے بھی اسکرپ کی پیداوار متاثر ہوئی ہے، ان تمام عوامل کا نتیجہ یہ نکلا کہ اسکرپ کی قیمت اگست 2020 میں 250 ڈالر فی ٹن سے بڑھ کر 500 ڈالر فی ٹن تک جا پہنچی، تاہم رپورٹ ہذا کی تاریخ تک یہ قیمت 400 ڈالر فی ٹن تک ہو چکی ہے۔ امید کی جا رہی ہے کہ اسکرپ کی قیمت میں آنے والے اس اتار اڑاؤ چڑھاؤ کی غیر یقینی صورتحال رواں مالی سال کے دوران جاری رہے گی کیونکہ تک کورونا وائرس سے پھیلنے والی وباء کے اثرات عالمی مارکیٹ پر موجود ہیں اور دنیا میں کئی ممالک میں لاک ڈاؤن میں توسیع بھی کی گئی ہے۔

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AMRELI STEELS MILLS LIMITED REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Amreli Steels Limited (the Company) as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of condensed interim statement of profit or loss, condensed interim statement of comprehensive income and the notes forming part thereof for the three month period ended 31 December 2020 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended 31 December 2020.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Omer Chughtai.



Chartered Accountants

Place: Karachi


Date: 12 February 2021

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

		31 December 2020 (Un-audited)	30 June 2020 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	18,017,930	17,650,951
Right of use asset		110,198	72,455
Intangible assets		20,952	24,266
Long-term investments		15,289	15,289
Long-term deposits		153,800	134,962
		<u>18,318,169</u>	<u>17,897,923</u>
CURRENT ASSETS			
Stores and spares		1,445,257	1,683,504
Stock-in-trade	5	5,862,528	8,040,331
Trade debts	6	5,207,785	4,900,333
Loans and advances		33,911	28,916
Trade deposits and short-term prepayments		320,980	642,890
Other receivables		249,834	527,960
Taxation – net		1,366,017	1,238,228
Cash and bank balances		209,228	509,361
		<u>14,695,540</u>	<u>17,571,523</u>
TOTAL ASSETS		<u>33,013,709</u>	<u>35,469,446</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		2,970,114	2,970,114
Capital reserve		2,788,742	2,788,742
Accumulated profit		3,577,725	3,125,905
Actuarial loss on gratuity fund		(60,186)	(60,186)
Revaluation surplus on property, plant and equipment – net of tax		2,259,795	2,288,611
		<u>11,536,190</u>	<u>11,113,186</u>
NON-CURRENT LIABILITIES			
Long-term financing	7	5,032,802	5,429,984
Loan from related party		341,333	341,333
Long-term provision	8	166,368	-
Deferred taxation		72,524	243,874
Deferred liability		268,668	254,748
Lease liabilities		95,943	63,600
Government grant		5,397	7,627
		<u>5,983,035</u>	<u>6,341,166</u>
CURRENT LIABILITIES			
Trade and other payables	9	4,310,279	3,731,308
Contract liabilities		676,756	962,783
Interest / markup accrued		250,871	577,719
Short-term borrowings - secured	10	8,746,506	11,912,828
Current portion of long-term financing		1,467,477	811,503
Current portion of government grant		19,188	4,215
Current portion of lease liabilities		17,619	8,748
Unclaimed dividend		5,788	5,990
		<u>15,494,484</u>	<u>18,015,094</u>
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		<u>33,013,709</u>	<u>35,469,446</u>

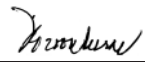
The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Half-year ended		Quarter-ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Note	----- (Rupees in '000) -----			
Sales	17,452,259	13,642,337	9,538,256	7,555,356
Cost of sales	(15,561,517)	(12,378,447)	(8,510,346)	(6,960,699)
Gross profit	1,890,742	1,263,890	1,027,910	594,657
Distribution costs	(444,801)	(327,481)	(243,315)	(156,570)
Administrative expenses	(258,055)	(241,067)	(142,383)	(131,133)
Reversal of / (allowance for) expected credit loss	24,536	(68,958)	58,453	(47,825)
Other expenses	(37,045)	(10,287)	(26,313)	(6,605)
Other income	14,040	8,639	8,437	1,465
Operating profit	1,189,417	624,736	682,789	253,989
Finance costs	12 (836,745)	(1,213,839)	(380,569)	(667,141)
Profit / (loss) before taxation	352,672	(589,103)	302,220	(413,152)
Taxation	13 70,332	275,624	10,159	180,732
Net Profit / (loss) for the period	423,004	(313,479)	312,379	(232,420)
	----- (Rupees) -----			
Earnings / (loss) per share – basic and diluted	1.42	(1.06)	1.05	(0.78)

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Half-year ended		Quarter-ended	
	31 December	31 December	31 December	31 December
	2020	2019	2020	2019
	----- (Rupees in '000) -----			
Net profit / (loss) for the period	423,004	(313,479)	312,379	(232,420)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	<u>423,004</u>	<u>(313,479)</u>	<u>312,379</u>	<u>(232,420)</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



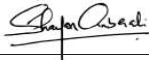
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Capital reserve	Revenue reserve	Actuarial loss on gratuity fund	Revaluation surplus on property, plant and equipment	Total	
	Share premium	Accumulated profit				
------(Rupees in '000)-----						
Balance as at 30 June 2019 (Audited)	2,970,114	2,788,742	4,179,935	(56,406)	2,361,200	12,243,585
Net Loss for the period	-	-	(313,479)	-	-	(313,479)
Other comprehensive loss for the year	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(313,479)	-	-	(313,479)
Transferred to accumulated profit in respect of incremental depreciation during the period – net of tax	-	-	37,336	-	(37,336)	-
Balance as at 31 December 2019 (Un-audited)	<u>2,970,114</u>	<u>2,788,742</u>	<u>3,903,792</u>	<u>(56,406)</u>	<u>2,323,864</u>	<u>11,930,106</u>
Balance as at 30 June 2020 (Audited)	2,970,114	2,788,742	3,125,905	(60,186)	2,288,611	11,113,186
Net profit for the period	-	-	423,004	-	-	423,004
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	423,004	-	-	423,004
Transferred to accumulated profit in respect of incremental depreciation during the period – net of tax	-	-	28,816	-	(28,816)	-
Balance as at 31 December 2020 (Un-audited)	<u>2,970,114</u>	<u>2,788,742</u>	<u>3,577,725</u>	<u>(60,186)</u>	<u>2,259,795</u>	<u>11,536,190</u>

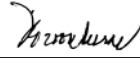
The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	31 December 2020	31 December 2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	352,672	(589,103)
Adjustments for:		
Depreciation on:		
- Operating fixed assets	254,776	419,001
- Right-of-use assets	11,154	4,646
Amortization	4,518	6,436
(Reversal of)/Provision for expected credit loss	(24,536)	68,958
Provision for gratuity	28,135	30,097
Gain on disposal of operating fixed assets	(584)	(646)
Exchange loss/(gain) on foreign currency	327	(3,272)
Finance costs	836,745	1,213,839
	<u>1,110,535</u>	<u>1,739,059</u>
	1,463,207	1,149,956
Decrease / (increase) in current assets:		
Stores and spares	238,247	161,917
Stock-in-trade	2,177,803	(771,592)
Trade debts	(282,916)	(973,333)
Loans and advances	(4,995)	(7,622)
Trade deposits and short-term prepayments	321,910	924
Other receivables	278,126	(472,054)
	<u>2,728,175</u>	<u>(2,061,760)</u>
Increase / (decrease) in current liabilities:		
Trade and other payables	(41,460)	169,212
Contract liabilities	(286,027)	66,545
Cash generated from / (used in) operating activities	<u>3,863,895</u>	<u>(676,047)</u>
Income taxes paid	(228,808)	(262,889)
Gratuity paid	(14,215)	(8,295)
Long-term deposits – net	(18,838)	(13)
Net Cash generated from / (used in) operating activities	<u>3,602,034</u>	<u>(947,244)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(633,073)	(649,000)
Proceeds from disposal of operating fixed assets	11,902	2,853
Additions to intangible assets	(1,204)	(506)
Dividends paid	(202)	(414)
Net cash used in investing activities	<u>(622,577)</u>	<u>(647,067)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term borrowings – net	(2,379,850)	(486,569)
Long-term financing – net	271,535	3,524,157
Loan from related party	-	(15,556)
Finance costs paid	(1,157,721)	(1,134,993)
Lease rentals paid	(13,554)	(3,121)
Net cash (used in) / generated from financing activities	<u>(3,279,590)</u>	<u>1,883,918</u>
Net (decrease) / increase in cash and cash equivalents	<u>(300,133)</u>	<u>289,607</u>
Cash and cash equivalents at the beginning of the period	<u>509,361</u>	<u>147,039</u>
Cash and cash equivalents at the end of the period	<u>209,228</u>	<u>436,646</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

1. THE COMPANY AND ITS OPERATIONS

Amreli Steels Limited (the Company) was incorporated in 1984 as a private limited company and converted into a public unquoted company in 2009. The Company enlisted on Pakistan Stock Exchange in 2015. The Company is engaged in manufacture and sale of steel bars and billets. The registered office of the Company is situated at Plot No. A-18, S.I.T.E., Karachi

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim financial statements of the company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- Provisions of and directives issued under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Act; and
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by International Accounting Standard Board (IASB) as notified under the Act.

Where the provisions of and directives issued under the Act or IFAS differ with the requirements of IAS 34, the provisions of and directives issued under the Act or IFAS have been followed.

These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2020.

These condensed interim financial statements are unaudited, but subject to limited scope review by the statutory auditors as required by the Code of Corporate Governance.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 31, 2019 and notes forming part thereof have not been reviewed by the statutory auditors of the Company, as they have reviewed the cumulative figures for the six months ended December 31, 2020 and December 31, 2019.

2.2 ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual audited financial statements for the year ended June 30, 2020.

2.3 Adoption of amendments to accounting standards and framework for financial reporting effective during the period.

The Company has adopted the following amendments of IFRSs and the framework for financial reporting which became effective for the current period:

- IFRS 3 - Definition of a Business (amendments);
- IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (amendments);
- IAS 1 / IAS 8 - Definition of Material (amendments);

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 01 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting Policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The adoption of the above amendments to accounting standards and framework did not have any effect on these condensed interim financial statements.

3 ACCOUNTING ESTIMATES AND JUDGEMENTS

- 3.1 The preparation of condensed interim financial statements is in conformity with the approved accounting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgements that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied in the company's annual unconsolidated financial statements for the year ended 30 June 2020, except as disclosed in note 3.2

The company follows the practice to conduct actuarial valuation as at year end. Hence the impact of re-measurement of staff retirement benefit fund has not been incorporated in these condensed interim financial statements

- 3.2 During the period, as a result of annual assessment of the review of remaining useful lives of operating fixed assets, management identified that buildings on leasehold land and plant and machinery require a revision in useful lives. Resultantly, depreciation rates for buildings on leasehold land have been revised from 10% to 2.5% and for plant and machinery, from 2%-50% to 2.5%-20% and such changes have been accounted for as a change in accounting estimate in accordance with IAS 8 'Accounting policies, Changes in accounting estimates and errors'. Had there been no change in the accounting estimate, the profit before tax for the period ended December 31 2020 would have been lower by Rs. 174.530 million and carrying value of operating fixed assets as at that date would have been lower by the same amount whereas transfer to accumulated profit in respect of incremental depreciation net of tax and accumulated profit as at that date would have been lower by Rs. 8.9 million. Consequently, due to the above change in accounting estimate, future profits before tax would decrease by Rs. 174.530 million.

	Note	31 December 2020 (Un-audited)	30 June 2020 (Audited)
----- (Rupees in '000) -----			
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	14,932,955	14,930,576
Capital work-in-progress	4.2	3,084,975	2,720,375
		<u>18,017,930</u>	<u>17,650,951</u>

4.1 Operating fixed assets

Balance at the beginning of the period / year		14,930,576	14,729,718
Additions during the period / year	4.1.1	268,473	1,072,614
Disposals during the period / year	4.1.1	(11,318)	(12,404)
Depreciation charged during the period / year		(254,776)	(859,352)
Balance at the end of the period / year		<u>14,932,955</u>	<u>14,930,576</u>

4.1.1 Details of additions and disposals are as follows:

	Additions (cost)		Deletions (Net book value)	
	31 December 2020 (Unaudited)	31 December 2019 (Unaudited)	31 December 2020 (Unaudited)	31 December 2019 (Unaudited)
----- (Rupees in '000) -----				
Freehold land	6,965	-	-	-
Buildings on leasehold land	2,694	6,252	-	-
Plant and machinery	238,812	169,772	33	-
Furniture and fittings	216	447	60	12
Office equipment	2,787	4,010	21	5
Vehicles	11,539	6,501	10,960	1,986
Computers	5,460	4,006	244	204
	<u>268,473</u>	<u>190,988</u>	<u>11,318</u>	<u>2,207</u>

4.2 Capital work-in-progress

	Opening balance	Additions	Transfers to operating fixed assets	Closing balance
	Un-audited			
	----- (Rupees in '000) -----			
Freehold land	6,965	-	(6,965)	-
Plant and machinery	1,850,672	580,771	(232,101)	2,199,342
Civil works	862,738	25,588	(2,693)	885,633
	<u>2,720,375</u>	<u>606,359</u>	<u>(241,759)</u>	<u>3,084,975</u>
			31 December 2020 (Un-audited)	30 June 2020 (Audited)
			----- (Rupees in '000) -----	

5 STOCK-IN-TRADE

Raw materials

- In hand			2,342,784	1,349,086
- In transit			1,605,096	3,376,081
			<u>3,947,880</u>	<u>4,725,167</u>

Work-in-process

783,489 1,023,943

Finished Goods

1,131,159 2,291,221

5,862,528 8,040,331

6 TRADE DEBTS - UNSECURED

Considered Good			5,207,785	4,900,333
Considered Doubtful			327,456	351,993
			<u>5,535,241</u>	<u>5,252,326</u>
Allowance for expected credit Loss	6.1		(327,456)	(351,993)
Trade debts - net			<u>5,207,785</u>	<u>4,900,333</u>

6.1 Allowance for expected credit loss

The movement in expected credit loss during the year is as follows:

Balance at the beginning of the period/year		351,992	166,750
(Reversal)/Provision recognised during the period/year		(24,536)	185,243
Balance at end of the period/year		<u>327,456</u>	<u>351,993</u>

7 LONG-TERM FINANCING

During the period, the Company obtained 4 further tranches of long-term financing from a conventional bank under the refinance scheme for payment of wages and salaries by State Bank of Pakistan. These carry markup rate at the rates ranging from 1.5% to 2.5% however, these loans have been recognised at the present value. The loans are repayable in 8 equal quarterly installments commencing from January 2021 discounted at effective rate of interest. The differential markup has been recognised as government grant which will be amortised to interest income over the period of facility. These facilities are secured by way of first pari passu over fixed assets of the company with 25% margin over the facility amount.

8 LONG-TERM PROVISION

Represents non-current portion of provision for Gas Infrastructure Development Cess (GIDC). During the period, the Honourable Supreme Court of Pakistan (SCP) has upheld the Gas Infrastructure Development Cess Act, 2015 to be constitutional and intravires allowing settlement of GIDC over a period of forty-eight monthly installments. However, the Company has filed an appeal before the Honourable High Court of Sindh (The Court) on the grounds that no burden of GIDC had been passed to its customers and thus, the Company is not liable to pay GIDC under GIDC Act 2015. The Court vide its order dated September 22, 2020 has granted stay to the Company.

The Company without prejudice to the suit filed, has provided provision amounting to Rs. 233.81 million under the relevant accounting standards and ICAP guidelines in this regard.

9 TRADE AND OTHER PAYABLES

9.1 Includes murabaha amounting to Rs. 2.656 million (30 June 2020: 1.869 million) and Industrial Support Packages payable amounting to Rs. 272.671 million (30 June 2020: 272.671 million).

9.2 Includes current portion of provision for gas infrastructure development cess amounting to Rs. 67.442 million.

	31 December 2020	30 June 2020
	----- (Rupees in '000) -----	-----
10 SHORT-TERM BORROWINGS - secured		
Cash Finance	512,306	1,057,657
Finance against Trust Receipt	4,578,406	6,431,925
Running Finance	1,635,794	1,653,578
Istisna	2,020,000	2,345,668
Short term loan	-	424,000
	<u>8,746,506</u>	<u>11,912,828</u>

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual financial statements for the year ended 30 June 2020 except as described below.

During the period, the Deputy Commissioner Inland Revenue (DCIR), Large Taxpayer's Unit (LTU), Karachi issued show-cause notice under Section 11(2) of the Sales Tax Act, 1990 for alleged non-charging of further tax on the supplies made to unregistered persons and raised an alleged demand of Rs. 1.723 billion for the tax periods July 2014 to June 2020. The Company filed a Constitutional Petition before the Honourable High Court of Sindh (the Court) which issued an interim order dated December 22, 2020, restraining any coercive action against the Company. The order will remain in force until further directions from the Court. The management, based on legal advice, is confident that the eventual outcome will be in favour of the Company. Accordingly, no provision has been made in this respect of these condensed interim financial statements.

	31 December 2020	30 June 2020
	(Un-audited)	(Audited)
	----- (Rupees in '000) -----	-----
11.2 Commitments		
11.2.1 Outstanding letters of credit	<u>4,490,121</u>	<u>953,766</u>
11.2.2 Outstanding letters of guarantee	<u>494,717</u>	<u>546,927</u>
11.2.3 Capital expenditure	<u>108,533</u>	<u>-</u>

11.2.4 Commitments for rentals payable under Ijarah contracts in respect of vehicles and plant and machinery with Islamic banks are as follows:

	31 December 2020	30 June 2020
	(Un-audited)	(Audited)
	----- (Rupees in '000) -----	-----
Not later than one year	<u>55,069</u>	<u>38,223</u>
Later than one year but not later than five years	<u>86,735</u>	<u>47,472</u>

12 FINANCE COSTS

Includes mark up on long-term financing and short-term borrowings amounting to Rs. 264.396 million and Rs. 543.222 million (31 December 2019: Rs. 279.468 million and Rs. 893.451 million) respectively.

		Half year ended	
		31 December	31 December
		2020	2019
		(Un-audited)	
		----- (Rupees in '000) -----	
13	TAXATION		
	Current	261,286	204,374
	Deferred	(331,618)	(479,998)
		<u>(70,332)</u>	<u>(275,624)</u>

14 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2020. There have been no change in any risk management policies since the year end.

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

16 TRANSACTION WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, directors, shareholders, key management personnel and retirement benefit fund. Details of transactions with related parties during the period, other than those disclosed elsewhere in these condensed interim financial statements are as follows:

Nature of transaction	Relationship with the company	Half Year Ended		Quarter Ended	
		31 December		31 December	
		2020	2019	2020	2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		---(Rupees in '000)---		---(Rupees in '000)---	
Meeting fee	Directors	2,825	1,350	800	550
Remuneration and other benefits	Key management personnel	139,300	111,946	76,565	51,598
Repayment of loan from related party	Chairman & Non-Executive Director	-	20,556	-	5,001
Interest expense charged on loan from related party	Chairman, Non-Executive Director and shareholder	12,449	18,193	6,220	9,238
Contribution to staff gratuity fund	Retirement benefit fund	28,135	30,097	14,067	15,048

17 OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of a single reportable segment.

Revenue from export sales represents 0.23% (December 31, 2019: 0.33%) of the total gross revenue of the Company.

All non-current assets of the Company as at 31 December 2020 and 2019 are located in Pakistan.

Sales made by the Company to its 20 major customers during the period constituted 25% (December 31, 2019: 42%) of total sales.

18 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 08 February 2021 by the Board of Directors of the Company.

19 GENERAL

19.1 Figures have been rounded off to the nearest thousand Rupee, unless otherwise stated.

19.2 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of comparison.



Chief Executive Officer



Chief Financial Officer



Director

Investors' Education

In pursuance of SRO 924(1)/2015 dated September 9th, 2015 issued by the Securities and Exchange Commission of Pakistan (SECP), the following informational message has been reproduced to educate investors.

www.jamapunji.pk








 **Jama
Punji**
سرمایہ کاری سچھداری کے ساتھ










Be aware, Be alert, Be safe

Learn about investing at
www.jamapunji.pk

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator (based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event notifications, corporate and regulatory actions)
-  Jamaapunji application for mobile device
-  Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices.



AMRELI STEELS
Building for Life

A-18, S.I.T.E., Karachi, Pakistan
UAN: 021-111-AMRELI (267354)
Email: investor-relations@amrelisteels.com
www.amrelisteels.com